

Successful Women, Successful Families, Successful Economy: An Action Agenda for the Commonwealth



Governor Deval L. Patrick

Women in the Workplace Initiative

Introduction

Massachusetts has made great strides in investing in education, infrastructure and innovation to strengthen the economy and expand the workforce under the leadership of Governor Patrick. As the economy expands and shifts, it is important to look at the changes and trends of the people who make up the workforce. Today's workplace consists of nearly equal parts women and men and is rapidly encompassing new demographics, retiring existing participants (baby boomers) and welcoming new ones (millennials).¹

Massachusetts and the nation are at a cross-road in our modern day workplace. The structure and supports for workers in the economy must shift to reflect the new characteristics of our continually evolving workforce. This evolution challenges employers to design a workplace that maximizes talent and potential. More and more, employees expect company policies to encourage a healthy work-life balance and focus on gender-neutral, family-oriented practices and benefits. For example, maternity leave transforms to family leave, as both female and male workers strategize their use of time to care for aging parents and children at the same time. The choice to work "nine to five" was a movement and an anthem in the 1970s as women transitioned from predominately secondary, part-time earners to professional careers and full labor force participation in the 2000s. In addition to the changing role of women in the workplace, family dynamics and parental roles have shifted dramatically in the last 10 years. Compared to a generation ago, more households are dependent on two incomes to make ends meet and cover basic needs like housing and childcare². Although the ratio of the male-to-female workers has evened out, many workplace practices have not. In today's workforce both men and women need flexibility to ensure successful outcomes for families.

Modernizing workplace policies and procedures proves beneficial to companies of all sizes. Companies cannot realize their full potential unless they optimize the talent in their workplaces to support women

¹United States Bureau of Labor Statistics, *Current Population Survey 2013*, <http://www.bls.gov/cps/demographics.htm>

²Beth Potier, *Middle-class income doesn't buy middle-class lifestyle*, Harvard University Gazette (October 30, available at 2003), <http://news.harvard.edu/gazette/2003/10.30/19-bankruptcy.html>

Warren, Elizabeth and Warren Tyagi, Amelia. *The Two-Income Trap: Why Middle-Class Mothers and Fathers Are Going Broke*. Basic Books, 2003. Print.

and overall family needs in the 21st century. The *Atlantic Monthly* reported that “[h]alf a dozen global studies, conducted by the likes of Goldman Sachs and Columbia University, have found that companies employing women in large numbers outperform their competitors on every measure of profitability.”³ The number of women who earned a bachelor or master’s degree has out-paced men since the early 90’s⁴, yet women still don’t reach corporate suites (C-suites) or boardrooms in the same proportions.⁵ In fact, only 4.8%⁶ of Fortune 500 CEOs are women. This startling fact means that companies lose out on talent and profit due to turnover costs. Lost talent and turnover are also symptoms of ignoring the influx of younger workers who want diversity in the workplace and expect modern employee policies. Forbes reported in 2013 that companies experienced losses of \$15,000 to \$25,000 to replace each millennial who left a job at one company seeking “flexibility, purposeful labor and economic security” from other employers.⁷

As the Massachusetts economy becomes increasingly global we compete for talent with other regions and states that are starting to adopt expansive family-friendly policies. In order to stay competitive, Massachusetts must remain a desirable place to work for everyone. These emerging trends represent a new imperative to change the dynamic of the workplace to promote the advancement, development and full potential of ALL workers in our economy.

Massachusetts Progress

Governor Patrick’s administration has consistently expanded access and opportunity for women across the Commonwealth. Most recently, these efforts culminated in the launch of the *Women in the Workforce Initiative*, which established the Successful Women, Successful Families Task Force and a Women’s Leadership Fellowship program that placed 14 dynamic, highly qualified women in leadership positions throughout state government. The Initiative will also challenge the private sector to address the roles women play within their organizations and encourage private sector participants to assess workplace policies as they relate to women and family.

The *Women in the Workforce Initiative* is but one example of the progress the Patrick Administration has made in advancing women in Massachusetts. In 2014, Governor Patrick signed a bill that will increase the Massachusetts Minimum Wage for roughly 600,000 hard-working Massachusetts residents. This change

³Katty Kay & Claire Shipman, Confidence Gap, THE ATLANTIC (Apr. 14, 2014), available at <http://www.theatlantic.com/features/archive/2014/04/the-confidence-gap/359815>.

⁴National Center for Education Statistics, Digest of Education Statistics, 2007, 269 tbl.178 (2007) available at http://nces.ed.gov/programs/digest/d07/tables/dt07_178.asp.

⁵Caroline Fairchild, *Want more women in the C-suite? Start with the supply chain*, FORTUNE (August 20, 2014), <http://fortune.com/2014/08/20/want-more-women-in-the-c-suite-start-with-the-supply-chain/>

⁶Caroline Fairchild, *Number of Fortune 500 women CEOs reaches historic high*, FORTUNE (June 3, 2014), <http://fortune.com/2014/06/03/number-of-fortune-500-women-ceos-reaches-historic-high/>

⁷Kate Taylor, *Why Millennials Are Ending The 9 to 5*, FORBES (August 23, 2013), <http://www.forbes.com/sites/katetaylor/2013/08/23/why-millennials-are-ending-the-9-to-5/>

directly impacts women, since 57 percent of these low-wage workers are women.⁸ Furthermore, 140,000 of the affected workers are parents – and 236,000 children live in households that will be helped by the increase⁹. In 2017, when the minimum wage reaches \$11 an hour, Massachusetts will have the highest state minimum wage in the nation.

This past year, Governor Patrick also signed the Domestic Workers Bill of Rights, which was 20 years in the making and extends basic workplace protections to Massachusetts domestic workers who work in homes across the Commonwealth. This new law is particularly important to women, who make up 95% of the domestic worker workforce nationally.¹⁰ The law extended a number of critical rights to these workers, including granting domestic workers access to the Massachusetts Maternity Leave Act (MMLA), giving domestic workers the right of private enforcement for violation of the Domestic Workers' Bill of Rights, and the establishment of a number of workplace rights such as weekly rest times, privacy protections and the right to a work evaluation.

Governor Patrick has worked to ensure that women are represented at all levels of state government and our judicial system. Currently, three of the eight cabinet positions are held by women. Patrick will also leave a legacy of diverse appointments to the Massachusetts Supreme Court. With his appointment of four female justices, for the first time in Massachusetts history, the majority of Massachusetts Supreme Court Justices are women.¹¹

“An economy is only at its best when every individual has an equal opportunity to participate,” said Governor Patrick. “By focusing on redefining our own strategies to support women in the workplace and challenging our business community to do the same, we will strengthen our economy and build a better Commonwealth for generations to come.”

⁸Massachusetts Budget and Policy Center, *Rewarding Work: The Data on an \$11 Minimum Wage*, (June 23, 2014), http://www.massbudget.org/report_window.php?loc=Facts-6-17-14.html

⁹Id.

¹⁰Linda Burnham and Nik Theodore, *Home Economics: The Invisible and Unregulated World of Domestic Work*, 2012, <http://www.domesticworkers.org/sites/default/files/HomeEconomicsEnglish.pdf>

¹¹Joan Vennoch, *Patrick's Legacy: A More Diverse Supreme Judicial Court*, THE BOSTON GLOBE (Aug. 10, 2014), <http://www.bostonglobe.com/opinion/editorials/2014/08/09/deval-patrick-legacy-more-diverse-supreme-judicial-court/FuYvaQHs-95typ6VZErvLhP/story.html>.

Task Force

On March 12, 2014, Governor Patrick signed **Executive Order** 550 establishing the *Successful Women, Successful Families Task Force* to develop an Action Agenda for the Commonwealth to help move our workplaces in a new, more family-friendly direction. Rachel Kaprielian, the Secretary of Labor and Workforce Development, was appointed to lead this Task Force. The Task Force was asked to draft a series of recommendations including, but not limited to, what the Commonwealth and the Executive Branch, as an employer, can do to advance women in the *public* sector workplace; and what policies the Commonwealth could adopt to govern the employment practices of the *private* sector. Recommendations could include additional policy steps the state could take on: equal pay, expanded paid leave programs, flex time and family-conducive schedules, maternity leave, family responsibilities, discrimination, minimum wage and child care.

The Governor recognizes that the success of the Massachusetts economy remains dependent on the success of all of the diverse participants in our workforce, from single and/or working mothers to baby boomers, childless millennials and everyone in between.

2014 *Successful Women, Successful Families* Task Force

Rachel Kaprielian, Secretary, Executive Office of Labor and Workforce Development (Chair)

Susan Adams, Senior Director, Center for Women and Business, Bentley University

Victoria A. Budson, Executive Director, Women and Public Policy Program, Harvard Kennedy School

Elisabeth Babcock, President and CEO, Crittenton Women's Union

Greg Bialecki, Secretary, Executive Office of Housing & Economic Development

Sandra Borders, Director, Office of Diversity and Equal Opportunity

Andrea Cabral, Secretary, Executive Office of Public Safety and Security

Maureen Carney, Senior Workforce Development Strategist, Massachusetts AFL-CIO

Paul Dietl, Chief Human Resources Officer, Human Resources Department, Executive Office of Administration and Finance

Carol Fulp, President and CEO, The Partnership

Patricia Haddad, Representative, State House of Representatives

Joanne Goldstein, Associate Vice President of Workforce Development and Employer Engagement, Northeastern University

Brad Harrington, Executive Director, Boston College Center for Work & Family

Katie Joyce, Vice President for Policy and Domestic & International Government, Mass Life Sciences Center

Rebecca Kaiser, Director of Government and Community Relations, Spaulding Rehab

Gloria Cordes Larson, President, Bentley University

Jennifer Lawrence, Assistant Secretary for Economic Development, Executive Office of Housing and Economic Development

Sheila Lirio Marcelo, Founder, Chairwoman and CEO, Care.com

Donna Levin, Co-Founder & Vice President of Policy and CSR, Care.com

Essence McGill Arzu, Partner, The Arzu Law Group

Beth Monaghan, Principal and Co-founder, InkHouse

Therese Murray, President, State Senate

Betsy Myers, Founding Director, Center for Women and Business, Bentley University

Krista Selmi, Assistant Secretary for Communications, Energy and Environmental Affairs

Glen Shor, Secretary, Executive Office of Administration & Finance

Nancy Huntington Stager, Eastern Bank, Executive VP, Human Resources & Charitable Giving

Shannon Urban, Executive Director | Advisory Risk, Ernst & Young

Natalie Wagner, Vice President, State Street Global Advisors

Bennie Wiley, Principal, The Wiley Group

Linda Watters, Vice President, Government Relations, John Hancock

C.A. Webb, Executive Director, New England Venture Capital Association

Catherine Williams, Senior director of communications, Massachusetts Clean Energy Center

When all sectors of the workforce do well, the Massachusetts economy does well. In Massachusetts almost half of the workforce is made up of women¹², yet they are woefully under-represented in boardrooms, elected office¹³ and private sector management.^{14,15} And, many women face challenging choices about advancing their careers or meeting expectations at home.

The Task Force members represent a diverse range of policy and business experts from a variety of backgrounds, including members from public and private sectors, academic institutions and non-profits. The Task Force consists of individuals who make decisions on leadership and hiring, advocate on behalf of poverty issues, represent workers through labor unions, and beyond. Information on the individual Task Force members can be found at www.mass.gov/advancingwomen.

Charge to Task Force:

Report back to the Governor within six months of its first meeting with recommendations on:

- Specific policies or action steps the Commonwealth could adopt to **improve access to opportunities and equality** for low-wage working women and families
- Specific policies or action steps the Commonwealth could adopt to **promote advancement & leadership of women** in the public and private sectors
- Specific policies or action steps the Commonwealth could adopt to **eliminate the wage gap** between genders for equal work

¹²United States Bureau of Labor Statistics, Geographic Profile, 2012, <http://www.bls.gov/lau/table14full12.pdf>

¹³Center for Women in Politics and Public Policy at the University of Massachusetts Boston, *Political Progress for New England Women*, 2013, http://www.umb.edu/cwppp/research/political_progress

¹⁴Caroline Fairchild, *Want more women in the C-suite? Start with the supply chain*, FORTUNE (August 20, 2014), <http://fortune.com/2014/08/20/want-more-women-in-the-c-suite-start-with-the-supply-chain/>

¹⁵Caroline Fairchild, *Number of Fortune 500 women CEOs reaches historic high*, FORTUNE (June 3, 2014), <http://fortune.com/2014/06/03/number-of-fortune-500-women-ceos-reaches-historic-high/>

Key Goals for Task Force Action Agenda

The Task Force recommendations focus on four key goals that are interconnected and rely on each other to catalyze economic and overall advancement for women and families in the Commonwealth — only when considered together can we effect real change.

The recommendations are organized into four sections. Each section includes highlights of the most **significant data** or **research findings** that define the issue and a summary of the **key challenges** “behind the numbers” that must be solved to make progress on goals. During the Task Force meetings from April through September 2014, the individual members contributed their own expertise to the discussion, brought forward the most recent research, and heard from external experts on how to develop strategies and action steps to form the final Task Force recommendations.



In our C-Suites and Boardrooms: *Open Up Leadership Opportunities*

HIGHLIGHTS

- **Massachusetts still lags behind the nation on the percentage of women in Board of Director positions in 2014.** Only 13.8% of directors are women in Massachusetts' 100 largest public companies compared to the 17% national average.¹⁶
- **A study by Kathleen McGinn, Professor of Business Administration at Harvard Business School and member of Harvard's Women and Public Policy Program, shows the importance of women managers and the fact that simply hiring women into organizations is not sufficient to increase their representation at higher levels.**¹⁷ The study found that junior women were more likely to stay with a firm and advance their careers when women were present in management positions. Women leaders must be represented in the highest levels of decision-making and managerial roles to create career pathways. When there are few to no women at the top of public or private sector organizations, other women do not view corporate leadership as a realistic career option because they do not have role models to show them the way.
- **Companies improve on business indicators when three or more women make it to the top team**¹⁸. A diverse perspective within senior management brings innovation, better problem-solving and a better match to the diversity of the customer base. As a result, companies see improvements on nine dimensions indicators like direction, accountability, innovation, environment and values and motivation etc.

Senior level leadership for women in the public sector is equally important. Governor Patrick has demonstrated a commitment to hiring women leaders — including in his current Administration represented by Secretary Rachel Kaprielian, Secretary Andrea Cabral of Public Safety and Security, and Secretary Maeve Bartlett of Energy and Environmental Affairs. Under the Patrick Administration — as of November 2013 — more than half of all managers and 49% of all senior managers within executive branch were women.

¹⁶The Boston Club, The 2013 Census of Women directors and Executive Officers of Massachusetts Public Companies, 2013 and Catalyst, Women on Boards: Board Seats held by Women by Country, 2014.

¹⁷Kathleen McGinn & Katherine L. Milkman, *Looking Up and Looking Out: Career Mobility Effects of Demographic Similarity Among Professionals*, 24 ORG. SCI. no. 4, at 1041 (2013).

¹⁸Joanne Barsh, Can women fix capitalism?, McKinsey Quarterly (September 2014), available at http://www.mckinsey.com/insights/leading_in_the_21st_century/can_women_fix_capitalism

KEY CHALLENGES IDENTIFIED AS A BARRIER TO LEADERSHIP – BEHIND THE NUMBERS

Leading organizations that work with companies and corporate women leaders across the country, like Bentley University's Center for Women and Business and Harvard University's Women and Public Policy Program, summarize the challenges within the private sector that prevent more women from moving beyond entry-level or middle management as follows:

“Not a Priority” – gender diversity is not seen as a priority from the top or consistently throughout the organization.

“Lack of Corporate Capacity” – company leadership does not know HOW to assess their leadership gaps or HOW to fix the gaps.

“Workplace Bias” – biases in evaluation, promotion and pay scales by gender (though often unconscious) still exist.

“Confidence Gap” – women, even for the most successful, question if they are qualified to be on a board or take the higher level job.¹⁹

“Personal Demands” – family responsibilities compete with expected hours at the office or stretch assignments.

“The Pool” – finding and connecting talented women to promote to senior management and boards.

ACTION AGENDA: *Open Up Leadership Opportunities*

STRATEGY: Create Opportunities for Private Sector Companies to Increase Percentage of Women on Corporate Boards and C-Suites

ACTION STEP: The Governor will launch a statewide Corporate Challenge with Bentley University's Center for Women and Business. This Challenge will include outreach to leading companies from every sector of the Massachusetts economy to participate in a multi-year initiative designed to strengthen their gender-inclusion practices and enable them to more effectively harness the talents of all women in the workplace. This initiative will build off of the success of the Boston Women's Workforce Council's initiative called the Boston Women's Compact.

COMPANIES WILL AGREE TO:

- **Appoint a senior level executive** to “own” the company's participation in this Initiative
- **Meet periodically with the other participating companies** as a group

¹⁹ See Katty Kay & Claire Chipman, *The Confidence Code* (2014), <http://theconfidencecode.com>.

- **Set measurable goals (see below)** in at least one of the following five action areas:
 1. Actively recruit women to fill open positions at all levels of the organization, in order to increase the percentage of women in the company's workforce, including women in non-traditional roles
 2. Increase the retention rate of women at all levels of the organization
 3. Increase the percentage of women among the top 10% of the company's senior positions
 4. Increase the number of women on the board of directors
 5. Monitor pay by gender and address such gaps when discovered
- **Participate in Recognition Event:** Hold event with Governor Patrick and companies participating in the Challenge to highlight the impact of company assessment, action steps etc. Companies will be encouraged to invite peers to the event and to join the process.

STRATEGY: Create a Talent Source of Women Leaders for Boardrooms and C-Suites

ACTION STEP: The Boston Club will facilitate a coordinated effort of women's leadership organizations and others who are committed to increasing the pipeline of women prepared to assume board and C-suite positions (*e.g. leadership organizations such as The Thirty Percent Coalition, 2020 Women on Boards, Clearing the Path, The Partnership, executive recruiters, other business organizations*) to:

- **Offer board development and management training** programs for women interested in serving on corporate boards or leadership roles;
- **Host an event to introduce corporate leaders and placement firms to women professionals** who are prepared and ready to become directors or C-suite contributors; and
- **Develop an online resource** that will promote organizations that train and develop women leaders; connect women and employers across a diverse set of industry sectors and business sizes; and increase the demand for qualified women to serve on the boards of corporations.

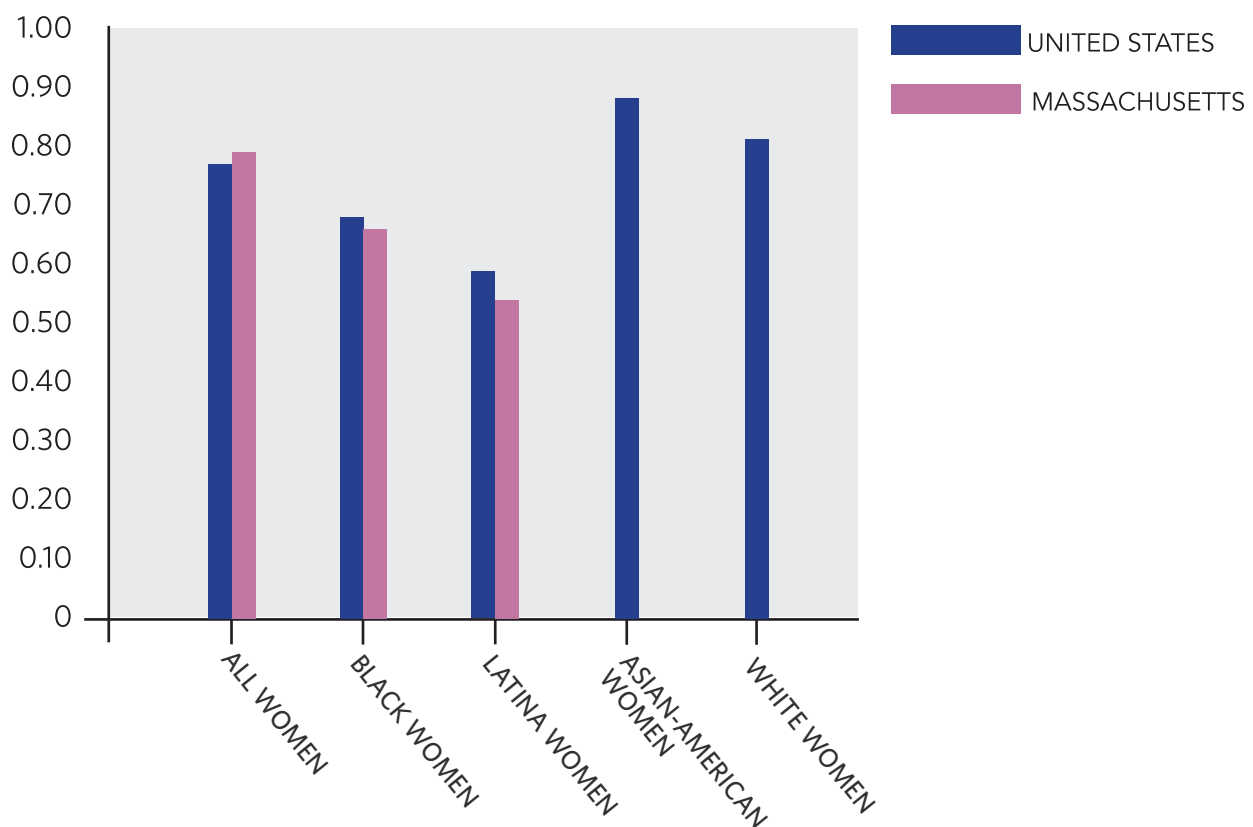
In our Paychecks: *Eliminate the Wage Gap*

HIGHLIGHTS

- Massachusetts is ranked 16th nationally in the comparative gaps between men and women in wages.²⁰

Racial Group Comparison to White Men's Earnings²¹

Cents Earned Per Every \$1 Earned by Men



²⁰The Gender Pay Gap by State and Congressional District, The American Association of University Women (2014), <http://www.aauw.org/resource/gender-pay-gap-by-state-and-congressional-district>.

²¹Citation List for Chart:

- The American Association of University Women, The Simple Truth about the Gender Pay Gap 2014 Edition, 3 (2014) available at <http://www.aauw.org/files/2014/03/The-Simple-Truth.pdf>.
- Id.
- National Partnership for Women and Families, Working Women and Massachusetts's Wage Gap, 1-3 (2012) available at <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/working-women-and-massachusetts.pdf>.
- Id.

• **Massachusetts women who are employed full time lose a combined total of approximately \$12,239,814,352 every year due to the wage gap.** Families, businesses and the economy suffer as a result. For example, if the wage gap were eliminated, on average, a working woman in Massachusetts would have enough money for:

- 94 more weeks of food for her family (1.8 years' worth);
- More than six more months of mortgage and utilities payments;
- More than 12 more months of rent; or
- 3,546 additional gallons of gas.²²

KEY CHALLENGES IDENTIFIED AS A BARRIER TO WAGE EQUALITY - BEHIND THE NUMBERS:

The wage gap between genders for equal work is widely known and documented. The data are exhaustive. Unequal pay is pervasive and illegal, yet it persists. Leading experts on the wage gap focus on three main issues driving the numbers.

• **The Institute for Women's Policy Research's project on sex and race discrimination in the workplace points to bias in hiring, promotion and pay scales by gender.** Harvard University's Women in Public Policy Program reports that gender discrimination in hiring is caused by institutional or company policies that have not been optimized for achieving gender neutrality, as well as by implicit and explicit biases of the individual making hiring or promotional decisions.²³ As a result, unequal outcomes continue to occur even among well-intentioned individuals and organizations.

• **Women are under-represented in occupations and career pathways that pay higher wages.** Nationally and in Massachusetts, girls and women are under-represented in Science, Technology, Engineering and Math (STEM) educational enrollments and in the higher-paying STEM workforce. As reported by the Million Women Mentors project:

"In the past 10 years, growth in STEM jobs has been three times greater than non-STEM jobs. 80% of the fastest growing occupations in the United States depend upon mastery of mathematics and scientific knowledge and skills. While women comprise 48% of the US workforce, just 24% are in STEM fields, a statistic that has held constant for nearly the last decade. And, while 75% of all college students are women and students of color, they represent only 45% of STEM degrees earned each year.

²²National Partnership for Women and Families, Massachusetts Women and the Wage Gap, 1-3 (2014) available at <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/2014-ma-wage-gap.pdf>.

²³Iris Bohnet, Max H. Bazerman & Alexandra van Green, When Performance Trumps Gender Bias: Joint Versus Separate Evaluation (Harvard Kennedy School Women and Public Policy Program 2014), available at <http://projects.iq.harvard.edu/files/When-PerformanceTrump-Sept14.pdf>.

Even when women persist to earn a STEM degree, women are less likely than their male counterparts to work in a STEM field. STEM fields pay more and the wage gap is 92 cents on a dollar versus 75 cents in other fields. High quality mentoring programs that connect girls and young women with STEM professionals can significantly increase the number of women who pursue and succeed in careers in STEM fields. Exposing girls to successful female role models can help counter negative stereotypes because girls see that people like them can be successful and the stereotype threat can be managed and overcome.”²⁴

- **“Stepping out” of the workforce (to care for children, aging parents, etc.) reduces pay rates over a lifetime.**

A variety of reasons for stepping out of the workforce have been identified. Some women with partners can afford to make a personal choice to reduce hours or leave the workforce. As the *New York Times* reported, this seems to be a trend for mothers with post-secondary degrees and available family income from their partners²⁵. Some mothers leave the workforce altogether if they cannot find high quality, affordable childcare or a job that offers well-paid, part-time work.

ACTION AGENDA: *Eliminate the Wage Gap*

STRATEGY: Increase pay transparency in private sector to reduce wage gaps for equal work.

ACTION STEP: The Executive Branch will track the implementation and results of President Obama’s “Equal Pay Agenda.” This Agenda includes Executive Order 13665 prohibiting employer retaliation against employees for discussing compensation and a Presidential Memorandum to charge the United States Department of Labor (USDOL) with the creation of regulations to collect wage transparency data from federal contractors.

–Administration and Finance, Operational Services Division and the Executive Office of Labor and Workforce Development will review new federal regulations for federal contracts once issued by USDOL.

ACTION STEP: The Executive Branch will create a roadmap for a new state transparency reporting system that collects data on pay rates by occupation and gender for contractors

²⁴Million Women Mentors (2014), <http://www.millionwomenmentors.org>.

²⁵Lisa Belkin, The Opt-Out Revolution, The New York Times (August 7, 2013), available at <http://www.nytimes.com/2013/08/11/magazine/the-opt-out-revolution.html>

with the Commonwealth. The work will be aligned with the new federal model created by the Obama Administration.

NOTE: Minnesota passed the Women's Economic Security Act, which requires businesses with more than 40 employees seeking state contracts over \$500,000 to ensure compliance with existing equal pay laws.

STRATEGY: Promote Career Choices in Higher Wage Occupations (STEM) for Girl and Women.

ACTION STEP: The Massachusetts STEM Council will build an inventory of STEM programming geared to girls and women that is searchable and current.

- *This is expected to be released six months after the report and will be updated periodically so as to facilitate the entry of girls and women in to these fields.*

ACTION STEP: The Department of Higher Education and the Department of Elementary and Secondary education will work with the STEM Council to report out on the course selection and persistence patterns of girls in high school and into post-secondary programs.

- *This report will allow the STEM Council to promote new programming and track progress for Massachusetts girls and women.*

ACTION STEP: The Patrick Administration will promote STEM interest and preparation with middle school and high school girls.

- *On November 1, Secretary Kaprielian will attend the Girls STEM Summit – North hosted by Jr. Tech at UMass Lowell.*

ACTION STEP: The Governor will promote a “MA Chapter of Million Women Mentors” sponsored by the Southern New England Girls Collaborative Project (SNEGCP) covering Massachusetts and Rhode Island, which connects women in STEM careers to act as mentors for secondary students. The Massachusetts Chapter of SNEGCP has made a commitment to have 10,000 mentors sign up in the next four years.

- *The Governor will promote corporate participation in the Million Women Mentors campaign with businesses at the annual STEM Conference on October 22, 2014.*

ACTION STEP: The Administration will promote the integration of STEM areas with new teaching methods, such as humanities, to appeal to more girls and women interested in “mission-driven” careers.

- *The Executive Office of Labor and Workforce Development, the Department of Higher Education and the Department of Elementary and Secondary Education will co-host a meeting*

with leading secondary schools, university presidents and businesses to brainstorm potential models for high school and higher education institutions with STEM degrees focused on solving today's societal, infrastructure and policy challenges. The brainstorm session will review existing models, including presentations from the Massachusetts College of Liberal Arts on STEM persistence, Smith College's engineering program (2005 all women graduates) and Boston University's Societal Engineering program and CSAIL at MIT.

ACTION STEP: The Massachusetts Clean Energy Center will explore targeting recruitment efforts for the Massachusetts Clean Energy Center's year-round internship program and/or workforce development programs focused on placing female students and/or training female workers.

- *MassCEC will coordinate with sister quasi agencies, the Massachusetts Life Sciences Center and Massachusetts Technology Collaborative, to explore options for targeted recruitment efforts within their internship programs.*

In our Workplace: Incentivize Family-Supportive Policies

HIGHLIGHTS

- In 2013 the Bureau of Labor Statistics reported that the share of married-couple families with children under 18 where both parents worked was 59.1% in the United States²⁶.

- 40% of households with children under 18 include mothers who are the sole or primary source of income for the family. This share was 11% in 1960.²⁷

- These “breadwinner moms” are made up of two very different groups: 5.1 million (37%) are married mothers who have a higher income than their husbands, and 8.6 million (63%) are single mothers.²⁸

The role of parents and the composition of families are changing, but many workplace policies reflect outdated stereotypes about the role of women and men at home and in the workplace. Family-supportive policies are important not just for heterosexual couples with children, but for same-sex couples and families with a single head-of-household. Key highlights on workplaces policies are below.

Flexible Schedules

- In a study of 545 employers, researchers found that only 20 percent of companies offered a variety of flexible options to most of their workers.²⁹

- In 2010, a study completed by the Executive Office of the President Council of Economic Advisors on Work-Life Balance found that “the benefits of adopting such management practices [workplace flexibility] can outweigh the costs by reducing absenteeism, lowering turnover, improving the health of workers, and increasing productivity”.³⁰

- That same study cited Cisco Systems’, a multi-national Internet network provider, adoption of flexible schedule policies in the early part of the 2000s as a means to increase worker productivity.

²⁶Bureau of Labor Statistics, *EMPLOYMENT CHARACTERISTICS OF FAMILIES* – 2013, (April 25, 2014), Economic News Release, available at <http://www.bls.gov/news.release/famee.nr0.htm>

²⁷Wendy Wang, Kim Parker and Paul Taylor, *Breadwinner Moms, Mothers Are the Sole or Primary Provider in Four-in-Ten Households with Children; Public Conflicted about the Growing Trend*, (May 29, 2013), The Pew Research Center, available at <http://www.pewsocialtrends.org/2013/05/29/breadwinner-moms/>

²⁸Id.

²⁹Stephen Sweet, Marcie Pitt-Catsoupes, Elyssa Besen & Lonnie Golden, *Explaining Organizational Variation in Flexible Work Arrangements: Why the Pattern and Scale of Availability Matter*, 17 Community, Work, and Fam. Iss. 2, 115, 115-41 (2014).

³⁰Executive Office of the President Council on Economic Advisors, *Work-Life Balance and the Economics of Workplace Flexibility*, (March 2010), available at <http://www.whitehouse.gov/files/documents/100331-cea-economics-workplace-flexibility.pdf>

In 2003, Cisco Systems attributed \$195 million in cost savings that year attributed to the flexible schedule policy.³¹

- **38% of employers allow some of their workers to work from home on a regular basis**, up from 23% in 2008, according to the 2014 [National Study of Employers](#), which surveyed more than 1,000 employers with more than 50 workers.³²

Childcare

- **Massachusetts is among the most expensive states for infant and toddler care in the country, as a percentage of income³³.** A single mother earning the state's median income would need to devote nearly 60% of her income to cover the cost of center-based care for an infant.

- **As of September, the Department of Early Education and Care listed 28,457 children on its waitlist** for early education and out-of-school/after-school programming, including 11,841 school-aged children looking for placement in after- or before-school programs, 4,199 infants, 5,627 toddlers, and 6,790 pre-school aged children.

Paid Leave

One of the most comprehensive studies on paid family leave in Massachusetts identifies the need for coverage:

- **Nearly 3 million Massachusetts workers lack access to paid family leave.³⁴** Within this group are new mothers.
 - **Fewer than half of new mothers in Massachusetts have access to any paid leave following childbirth, including vacation days, sick time, maternity or other paid leave.³⁵** This translates into an estimated 41,000 new mothers each year who are going without any form of wage replacement while they stay at home to care for themselves and their children.
 - **An estimated 61% of mothers in Massachusetts with a high school degree return to work in less than three months of giving birth.³⁶** This is higher than the national average for mothers with the same levels of education.
- **99% of men surveyed feel that employers should offer paid paternity leave** reported in a survey of

³¹Id.

³²Kenneth Matos & Ellen Galinsky, 2014 National Study of Employers 20 (Families and Work Institute, 2014).

³³ChildCare Aware of America, *Parents and the High Cost of Childcare 2013 Report*, 2013 available at <http://usa.childcareaware.org/sites/default/files/Cost%20of%20Care%202013%20110613.pdf>

³⁴Katharine Lusk, *Paid Family Leave for Massachusetts: Innovative Programs to Protect the Health and Well-being of Families throughout the Commonwealth* (John F. Kennedy School of Government, 2012).

³⁵Id.

³⁶Id.

1,029 fathers employed by 286 different organizations.³⁷ And, 74% reported that 2 to 4 weeks is an appropriate amount.³⁸

- Based on this research, many fathers accept and/or embrace greater involvement with family responsibilities and expect employers to make accommodations.

KEY CHALLENGES IDENTIFIED AS BARRIERS TO PRIVATE SECTOR SUPPORT FOR FAMILIES – BEHIND THE NUMBERS:

- **Family demands are changing and the promotion of women in the talent pipeline relies on a flexible, dynamic work environment — yet private sector practices have not caught up.**

Addressing this challenge requires a cultural shift for a majority of private sector employers. Corporations need to rethink their strategies of organizing work and leadership opportunities to fully maximize the skill sets and life demands of their workforce. Creating a new norm in corporate practice to review and update employee policies and benefits through a gender and sexual orientation-neutral lens that understands “parenting” as an equal role between parents, that recognizes the prominence of single-parent households, and that sees elder care as a shared, family responsibility. Thus, gender-neutral access to family-leave as opposed to maternity leave is critical for the changing workforce. Over the next decade, corporations eager to maintain talent and grow their workforce will need to respond to a growing percent of millennials in the workforce. They bring to work a new set of cultural norms and societal expectations which are founded on neutral roles within a family and at the workplace.

- **Public policy and legislation in Massachusetts do not currently provide access to paid family leave or scale up access to paid family leave for the most at risk:**

- **Massachusetts leads many other states in the provision of unpaid, job-protected maternity leave, but the current law does not provide job protection for fathers.**³⁹ The Massachusetts Maternity Leave Act (MMLA) does not apply to fathers, including those in same-sex relationships.

- **California and New Jersey operate paid family leave as employee-funded, state-run insurance programs.**⁴⁰ In these models, employers can choose between using the state-run fund or obtaining paid family leave insurance through the private market. Other states, such as California, New Jersey and Washington, are moving to create various models to expand access to paid family leave. Existing programs and new enacted programs need to be studied and reviewed.

³⁷Brad Harrington, The New Dad: Take Your Leave 11-12 (Boston College Center for Work & Family, 2014).

³⁸Id.

³⁹Id.

⁴⁰Id.

ACTION AGENDA: Incentivize Family-Supportive Policies

STRATEGY: Increase the number of private sector companies offering family-oriented policies.

ACTION STEP: The Commonwealth should change Massachusetts maternity leave law to include “parental” leave instead of limiting it to maternity.

ACTION STEP: The Administration should work with the Legislature to study the provision of paid family leave for all public and private sector Massachusetts workers to reduce income gaps and allow families to support care needs (child, elder, etc.).

- *The Executive Office of Labor and Workforce Development (EOLWD) was awarded a federal United States Department of Labor grant to complete a cost analysis for paid-leave in Massachusetts.*
- *As part of this grant, EOLWD and stakeholder partners, including members of the legislature, will review existing state legislation (RI, CA, NY) where state-based family leave has been implemented and develop a summary report on different models.*

ACTION STEP: The Governor will promote the changing and expanding role of fathers at work and in families through a targeted campaign to underscore family-friendly policies as a workforce priority for ALL employees with the leadership of private sector firms.

- *The Governor will promote this messaging with businesses at scheduled events with key leaders, including other lead elected officials (Mayor of Boston’s Office of Women’s Advancement, etc.), private sector leaders (B2B networks), and business organizations (chambers).*

STRATEGY: Increase the availability of high quality, affordable childcare for Massachusetts families.

ACTION STEP: The Executive Office of Administration and Finance should include a new priority in the July 1, 2015 update to the Commonwealth’s Capital Plan to develop child-care space in state public buildings.

- *Leading by example: The Governor’s FY15-19 Capital Investment Plan includes funding to expand The Commonwealth Children’s Center, which provides subsidized and unsubsidized childcare for state employees.*
- *The FY15-19 Capital Investment Plan also includes funding for the construction of a childcare*

training facility at Greenfield Community College, which will provide students with an opportunity to acquire childcare and early education skills in an authentic and practical setting.

- *[The Housing Bond Bill provided \\$45 million for early education and school age facilities.](#)*

ACTION STEP: The Commonwealth should increase the Budget for the Early Education & Care “Income Eligible Waitlist Reduction line item,” (3000-4040) above the \$15 million provided in FY2015 to continue to address the waitlist for income-eligible early education and care and expand access at income-eligible child care providers who care for children of low-income parents who are working, disabled or in an education or job training program. This line item provides access to child care for children currently on the state administered waitlist.

- *Leading by example: Governor Patrick’s last two budgets proposed funding increases for early education and care access; the FY14 budget package proposed eliminating the income-eligible waitlist under the new revenue package. Since FY14, \$30M reduced the waitlist and placed over 5,000 more children in care.*

ACTION STEP: The Commonwealth should design and fund a universal pre-K system for the state.

- *Leading by example: In 2014 Governor Patrick supported and introduced a funding model to implement expanded pre-K in the 2014 House 1 Budget. Massachusetts received a \$50M Early Learning Challenge grant that is being used to strengthen the state’s comprehensive early childhood system.*

ACTION STEP: The Patrick Administration will work with the Massachusetts Department of Early Education and Care to expand the requirement to use the Massachusetts Quality Rating and Improvement System (QRIS) in Massachusetts in an effort to increase the quality of care across the entire system, subject to appropriations to support and incentivize provider participation.

In our Community: *Advance Low-Income Families*

HIGHLIGHTS

- **One in five of the Commonwealth's working families with children is low-income or poor⁴¹.** According to the Crittenton Women's Union's recent report, these families earn such low wages that they must spend one third or more of their income on housing, which puts them at serious risk for homelessness.
- **Among the most at-risk Massachusetts residents are the approximately 43,000 families who receive Transitional Aid to Families with Dependent Children (TAFDC)** as reported by the Department of Transitional Assistance for July FY2015⁴². Administered by the Department of Transitional Assistance (DTA), this program provides cash assistance to very low-income families with children who meet certain financial eligibility guidelines.
 - The vast majority of these families have no countable income other than the \$300-500 per month they receive in cash assistance⁴³.
 - They are primarily headed by single mothers between the ages of 20 and 44, only 15 percent of whom have completed any education past the high school level, and very few of whom have the requisite skills needed for a well-paying job⁴⁴.

KEY CHALLENGES IDENTIFIED AS A BARRIER FOR LOW-INCOME FAMILIES – BEHIND THE NUMBERS:

- **Lack of education and training impacts wage earnings and access to jobs with family supporting benefits (healthcare, paid family leave, flex time, etc).** Education & training are essential to self-sufficiency. The Crittenton Women's Union's *A Plan for Building Skilled Workers and Strong Families through the Massachusetts TAFDC Program* calls out that:

"Massachusetts families with children face much greater challenges in moving from poverty to economic stability than they did a half century ago. Fifty years ago, one adult with a high school diploma could support a family's basic human needs with a full-time blue collar job. This is no longer true."⁴⁵

⁴¹Ruth J. Liberman, M.P.A., Crittenton Women's Union, *A Plan for Building Skilled Workers and Strong Families through the Massachusetts TAFDC (Transitional Aid to Families with Dependent Children) Program 4* (2014).

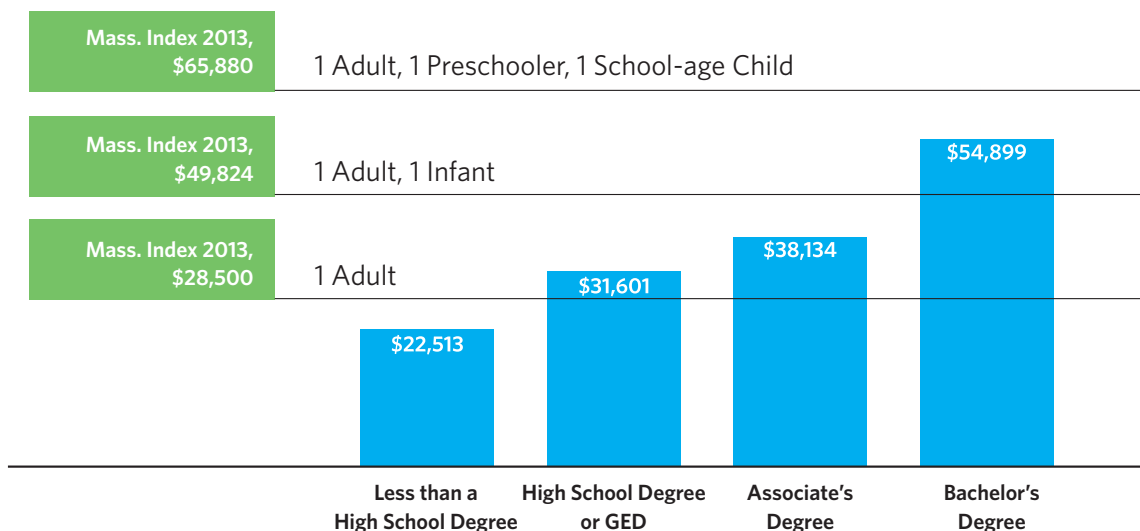
⁴²Massachusetts Department of Transitional Assistance, *Transitional Aid to Families with Dependent Children Caseload: FY 2011, FY 2012, FY 2013, FY 2014 and FY 2015*, available at <http://www.mass.gov/eohhs/gov/departments/dta/trans-aid-to-families-with-dependent-children.html>

⁴³Ruth J. Liberman, M.P.A., Crittenton Women's Union, *A Plan for Building Skilled Workers and Strong Families through the Massachusetts TAFDC (Transitional Aid to Families with Dependent Children) Program 4* (2014).

⁴⁴Id.

⁴⁵ Liberman, *supra* note 23.

Mass. Index 2013 Wages vs. Actual Statewide Individual Earnings by Level of Educational Attainment⁵



⁵ Source: U.S. Census Bureau, 2011 American Community Survey. Values inflated using the Consumer Price Index

- **Families need integrated support services to move off of public assistance and out of poverty.** The best education and employment outcomes are achieved through the integration of resources from government agencies and community based organization. The practice of “bundling” or breaking down agency silos brings together strategic resources that maintain stability for the recipient (cash assistance, child care, health insurance, housing, fuel assistance, financial aid, etc.).

An example of an integrated set of services for low-income individuals includes the state’s Massachusetts Learning, Employment, Assets Program (MassLEAP). Created in response to recommendations from Governor Patrick’s Commission on Public Housing Sustainability and Reform, MassLEAP is a new initiative to provide residents of state-funded public housing and participants in the Massachusetts Rental Voucher Program (MRVP) with access to the supports and services necessary to increase their earned income, improve their employment and career options, access post-secondary education and training and build a financial asset base for themselves and their families.

ACTION AGENDA: *Advance Low-Income Families*

STRATEGY: Increase Entry-Level Wages and Protections for Workers.

ACTION STEP: The Administration and Legislature recently passed new wage supports for entry-level workers and protections for workers. Continue implementation of the new laws.

- Governor Patrick signed the minimum wage law that will increase the minimum wage in Massachusetts as follows:
 - \$9.00 per hour on January 1, 2015
 - \$10.00 per hour on January 1, 2016
 - \$11.00 per hour on January 1, 2017
- Legislature passed, and Governor Patrick signed, a law, which codifies the Domestic Worker's Bill of Rights. This grants domestic workers access to the Massachusetts Maternity Leave Act (MMLA), weekly rest times, privacy protections and the right to a work evaluation, among other protections.

STRATEGY: Increase the Career Readiness Skills for Low-Income Adult Workers.

ACTION STEP: The Executive Office of Labor and Workforce Development should include in the rollout of the Massachusetts Career Readiness Initiative a pilot project targeting low-income, single heads of household. This initiative is sponsored by the Executive Office of Labor and Workforce Development, the Department of Elementary and Secondary Education, the Department of Higher Education, the 15 Massachusetts Community Colleges, the Boston Foundation, and other partners.

STRATEGY: Expand Career Ladders Opportunities for Unemployed Women.

ACTION STEP: The Department of Unemployment Assistance and the Department of Career Services will continue to work together to promote training opportunities for Unemployment Insurance (UI) claimants receiving unemployment insurance benefits, especially among women who currently represent 61% of people approved for Section 30. The Unemployment Insurance (UI) Training Opportunities Program (TOP) allows approved claimants to collect unemployment benefits while attending full-time training for new job skills and provides up to an additional 26 weeks of benefits while claimants are enrolled in the approved training.

Please note: Section 30 does not provide funding for training.

STRATEGY: Replicate Successful Career Pathways Models for Transitional Aid for Families and Dependent Children (TAFDC) recipients and Supplemental Nutrition Assistance Program (SNAP) recipients developed in other states.

ACTION STEP: The Patrick Administration should create a “Career Pathways” working group headed up by the Department of Transitional Assistance (DTA) with members across policy, operations, legislative and financial agencies and stakeholders to:

- **Understand the operational structure and costs associated with developing a Massachusetts Career Pathways model** similar to successful models in other states:
 - *The Accelerated Study in Associate Programs (ASAP) Operated by the City University of New York (CUNY)*
 - *The Arkansas Career Pathways Initiative (CPI)*
 - *Kentucky’s Ready to Work (RTW)*
- **Work across agencies to implement the new provisions in the Massachusetts Welfare Reform law.**
 - Establish a *Pathways to Self-Sufficiency* program. The program will assess all client’s strengths and barriers, and utilize this information to outline steps and supports a client will need to move toward self-sufficiency.
 - Expand the number and locations of Competitive Integrated Employment Services (CIES) slots for DTA clients.
 - Utilize the Midas Collaborative to host financial literacy classes, as well as provide the technical administration of Economic Independence Accounts (EIA). EIA’s were developed by the new Welfare Reform law to allow clients to save their benefits, but ensure those savings do not count against their program eligibility.
- **Design and develop a pilot project for Massachusetts to create “career pathways” that lead to unsubsidized employment for Supplemental Nutritional Assistance Program (SNAP) recipients and apply for the US Department of Agriculture’s Employment and Training grant funding that closes on November 24th.**
 - *Department of Transitional Assistance, the Executive Office of Health and Human Services, the Executive Office of Labor and Workforce Development, and the Department of Career Services will work together on the grant application team.*

STRATEGY: Integrate Support Programs for Low-Income Families.

ACTION STEP: The Administration, working with the Legislature, should support

continued funding and replication of the Massachusetts Learning, Employment, Assets Program (MassLEAP).

- In May 2014, the Department of Housing and Community Development awarded over \$1.6 million to five local housing authorities to launch this five-year program.

Conclusion

This report takes a systematic approach to addressing the challenges women and families face in the 21st century workforce. The Task Force reviewed the wide array of issues, diverse data trends and expert testimony to identify four overarching strategies and a concrete set of action steps that can be adopted across both the public and private sectors. Despite progress in recent years, especially in the public sector under the leadership of Governor Patrick, this report is just the first step. The Commonwealth must continue to build momentum around ensuring equal pay for equal work, fair representation in positions of leadership, modifying traditional definitions of work and employee benefits to align with the family dynamics that exist today, and break the cycle of poverty for low-income families. Progress in these four areas will result in stronger families, a stronger economy, and a stronger Massachusetts for everyone.

References & Research Studies

The following is a list of materials reviewed by the Task Force:

[The real reason for income inequality](#)

[Small payroll tax is the best way to cover paid maternity leave](#)

[Women's Career Barriers](#)

[Nudging the Unconscious Mind](#)

[2014 National Study of Employers](#)

[Lean Out: The Dangers for Women Who Negotiate](#)

[Women in STEM](#)

[Mothers being wooed to restart careers](#)

[Millions of Mothers Deserve a Raise - U. S. Department of Labor Blog](#)

[MA Wage Gap Factsheet](#)

[Boston: Closing the Wage Gap Report](#)

[Targets of Opportunity: The Boston Club's 2013 Census of Women Directors and Executive Officers of Massachusetts Public Companies](#)

[The Shriver Report: A Woman's Nation Pushes Back from the Brink](#)

[Crittenton Women's Union's "A Plan for Building Skilled Workers and Strong Families through the Massachusetts Transitional Aid to Families with Dependent Children \(TAFDC\) Program"](#)

[The Economist: The spread of gender quotas for company and boards](#)

[Let's Talk About Work](#)

[Millennials in the Workplace](#)

[The Business Case for Flexibility](#)

[Lusk, Katharine \(2012\). Harvard Kennedy School Policy Analysis. Paid Family Leave for Massachusetts: Innovative Programs to Protect the Health and Well-being of Families throughout the Commonwealth](#)

ADDITIONAL MATERIALS

The Harvard University Women And Public Policy Program (WAPPP) organized additional information and research on wage gap issues.

1. **Hiring: Compare candidates directly** — Hiring decisions are often influenced by candidates' similarity to the imagined ideal employee rather than by comparing candidates to each other. In a study conducted by WAPPP affiliates, Iris Bohnet, Alexandra Van Geen, and Max Bazerman, they find hiring managers

chose more qualified candidates and had more diverse hiring practices when structures were designed to facilitate comparisons among candidates.⁴⁶

2. Wage Gap: Teaching negotiation skills that address gender bias — The 2007 report published by WAPPP affiliates, Hannah Riley Bowles, Linda Babcock, and Lei Lai, found that when women negotiate salary offers they are perceived as less likable and hiring managers feel less willing to work with them.⁴⁷ This rational and real life explanation is why women decide not to ask and it is an important lesson about the limitations of training. However, a 2013 study showed that women who framed their requests in terms of their relationship to the organization and who referenced objective, external salary reference ranges were more likely to receive a higher salary without backlash.⁴⁸

3. Senior Representation: The importance of women managers — A study by WAPPP affiliate, Kathleen McGinn, shows that hiring women into organizations is not sufficient to increase their representation at higher levels. Junior women were more likely to stay with a firm and advance their careers when women were present in their management. Furthermore, the proportion of women managers correlated with career advancement and attrition.⁴⁹

⁴⁶Iris Bohnet, Max H. Bazerman & Alexandra van Green, When Performance Trumps Gender Bias: Joint Versus Separate Evaluation Working Paper, (Harvard Kennedy School Women and Public Policy Program, 2014), available at <http://gap.hks.harvard.edu/when-performance-trumps-gender-bias-joint-versus-separate-evaluation>.

⁴⁷Hannah Riley Bowles, Linda Babcock & Lei Lai, *Social Incentives for Gender Differences in the Propensity to Initiate Negotiations: Sometimes It Does Hurt to Ask*, 103 ORG. BEHAV. AND HUM. PROCESSES no. 1, at 84 (2007).

⁴⁸Hannah Riley Bowles & Linda Babcock, *How Can Women Escape the Compensation Negotiation Dilemma*, 37 PSYCHOL. OF WOMEN Q. no. 1, at 80 (2013)

⁴⁹McGinn, *supra* note 6.

Acknowledgements

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Katharine Lusk, Executive Director, *Initiative on Cities*, Boston University and author of *“Paid Family Leave for Massachusetts: Innovative Programs to Protect the Health and Well-being of Families throughout the Commonwealth”* as a candidate for the Harvard Kennedy school’s Master in Public Policy. She provided significant insight into forming the Task Force and a quick focus on key issues.

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